

MINERALS PROGRAM INSPECTION REPORT PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

MINE NAME:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
2005-06 Geo-hydrology Drilling and Coring	P-2005-001	Oil shale	Rio Blanco
- Public			
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Amy Yeldell	May 31, 2022	09:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Shell Frontier Oil & Gas Inc.	Samantha Baker	MP - Mineral Prospecting	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program	None	\$1,579,882.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. A	GENCY:
NA	None	U.S.BLM	
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE D	ATE:
Clear	Amy Geldell	June 16, 2022	

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS <u>Y</u>	(FN) FINANCIAL WARRANTY Y	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING <u>NA</u>	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING <u>NA</u>	(SF) PROCESSING FACILITIES <u>N</u>	(TS) TOPSOIL <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION Y
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN <u>NA</u>	(RS) RECL PLAN/COMP <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION Y	(ST) STIPULATIONS Y
(AT) ACID OR TOXIC MATERIALS <u>NA</u>	(OD) OFF-SITE DAMAGE <u>NA</u>	

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining, and Safety normal monitoring program. The 2005-06 Geo-hydrology Drilling and Coring -Public is a Hard Rock NOI located in Rio Blanco County. Amy Yeldell of the Division conducted the inspection and Samantha Baker represented the Operator. James Roberts of the White River Field Office was also present.

The permitted NOI includes a total of 10.65 acres and has a current bond of \$71,613. The Division still holds \$1,579,882.00 in financial warranty for this site since a replacement bond has not been submitted following the approval of SR-1 (5-11-2021). Following the approval of AR-2 (9-30-2021) the following pads permitted; 21-1-299, 22-4-298, 39-1-299, 40-1-299, 42-1-299, 44-2-29, 45-1-299, and 46-2-299.

All hydrology wells have been abandoned and pads have been reclaimed. The last reclamation efforts were completed in 2015 and now are awaiting adequate vegetation establishment. The past winter was extremely dry with very little snow/ moisture. This spring/ early summer has been very cold with limited precipitation. Generally plants are behind schedule in germination and inspection timing is more comparable to typical March/April site conditions. Wild horse populations have significantly increased and vegetation throughout the Piceance Basin is showing signs of overgrazing. Over all pads are stable with no signs of erosion. All mining related debris has been removed from the site(s). Specific observations of each pad are listed below,

- Pad 22-4-298: Overall pad has high coverage at nearly 80%. Vegetation is primarily sagebrush and other shrubs/forbs. Very little understory (grass) is present. Unfortunately compared to the surroundings total cover of noxious weeds (Cheatgrass) is significantly higher. Despite treatments the cheatgrass infestation appears to be moving through the pad and is no longer consolidated to just the entrance. Other desirable grasses have decreased over time likely due to competition.
- Note: Pads 39-46 are located within the OST general area. There is a gate located at the entrance to the complex that will be removed upon competition of final reclamation. Vegetation on access roads is establishing well. Vegetation is still primarily grasses at less than 30% cover but has been steadily increasing over the years.
- Pad 42-1-299: Pad has been grazed but appears to be resilient. The pad has lots of woody debris which compared to other nearby pads appears to be detouring grazing. Lots of low perennial grasses with shrubs establishment. Noxious (non-listed) plants seem to be thriving and should be managed so that desirable plant species are not impacted.

Responses to this inspection report should be directed to Amy Yeldell at the Division of Reclamation, Mining and Safety, Room 215, 1001 E 62nd Ave, Denver, CO 80216. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

Samantha Baker Shell Frontier Oil & Gas Inc. 150 N. Dairy Ashford Road Houston, TX 77079

EC: Travis Marshall, Senior EPS, Grand Junction DRMS James Roberts, White River Field Office, BLM COC68435 and COC69167

PERMIT #: P-2005-001 INSPECTOR'S INITIALS: ACY INSPECTION DATE: May 31, 2022

PHOTOGRAPHS





